

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

*In re: Hyundai and Kia Engine
Litigation*

8:17-cv-00838-JLS-JDE

Related Cases:

8:17-cv-01365-JLS-JDE

8:17-cv-02208-JLS-JDE

2:18-cv-05255-JLS-JDE

8:18-cv-00622-JLS-JDE

8:18-cv-02223-JLS-JDE

**DECLARATION OF
BONNER C. WALSH CONCERNING
CONTINUING REVIEW OF CLASS
MEMBER CLAIMS**

1 I, Bonner C. Walsh, declare as follows:

2 1. I am a member of the law firm of Walsh PLLC.

3 2. My firm serves as Class Counsel in this matter.

4 3. On June 11, 2021, the Court ordered Class Counsel to provide a
5 supplemental declaration with an update on Class Counsel's continuing claims
6 review (Dkt. 211).

7 4. Since that time Class Counsel has taken an active role in the claims
8 process and has spent more than 500 additional hours working with Class Members
9 and acting as a liaison with Kia and HMA claims during this process. It is anticipated
10 that this interaction will continue for the next several months, and then will shift to
11 warranty-based claims alone.

12 5. The claims process deals primarily with past claims for damages
13 through the notice date. The warranty-based relief is moving towards the forefront
14 for the class, and while the warranty claims submission data is not tracked, Class
15 Counsel remains vigilant assisting class members with the warranty process.
16 Currently about one in three contacts from class members deals with a warranty claim
17 as opposed to historic reimbursement claims. It is expected that the reimbursement
18 claims and appeals will be completed over the next several months as appeals are
19 addressed, but that the warranty contacts will continue.

20 **Claim Data Update**

21 6. On April 16, 2021 the Court ordered the parties to submit data on
22 Hyundai and Kia claims received, approved, and denied. Dkt 196. Class Counsel
23 provided the data on April 23, 2021. Dkt. 197.¹ Updated information as of August
24 30, 2021 for Hyundai and as of August 31, 2021 for Kia follows:

25
26
27 ¹ Previously we also advised the court (Dkt. 207) that as of June 1, 2021, Kia
28 had approved \$7,504,851.48 of claims and that HMA had approved \$8,975,834.81.

Hyundai

	Claims Submitted	Claims Processed	Approved	Denied	Pending
Claim Forms as of March 31, 2021	59,986	57,786	3,648	25,098	29,040
Claim Forms as of August 30, 2021	68,462	68,462	7,605	59,808	1,049
Face Value Claimed as of March 31, 2021		\$80,093,196.72	\$10,640,023.12	\$22,227,674.88	\$47,225,498.72
Face Value Claimed as of August 30, 2021		\$93,659,341.05	\$13,475,454.10	\$76,046,678.71	\$4,137,208.24
Amount Actually Approved as of March 31, 2021			\$4,974,635.67		
Amount Actually Approved as of August 30, 2021			\$10,247,426.05		

Notes:

Claims Submitted for Hyundai represents the number of benefits claimed rather than the number of claim forms submitted.

As with the status report submitted on April 23, 2021, these values exclude a claim with a face value of \$1 billion as it was deemed facially implausible. *See* Dkts. 197 and 198-1. If the other 62 claims seeking over \$50,000 are also excluded, the face value claimed as of August 30, 2021 is \$50,945,168.01.

Kia

	Claims Submitted	Claims Processed	Approved	Denied	Pending
Claim Forms as of March 31, 2021	42,269	40,661	3,583	35,208	1,870
Claim Forms as of August 31, 2021	50,112	46,926	5,237	40,737	952
Face Value Claimed as of March 31, 2021		\$43,917,702.50	\$7,285,256.99	\$33,397,811.90	\$2,683,322.29
Face Value Claimed as of August 31, 2021		\$55,552,725.29	\$10,837,175.82	\$42,923,614.12	\$1,791,935.35
Amount Actually Approved as of March 31, 2021			\$5,938,959.24		
Amount Actually Approved as of August 31, 2021			\$9,013,856.75		

7. As of August 30, 2021, HMA had paid out \$9,198,052.17 of the approved \$10,247,426.05 in claims.

8. As of August 31, 2021, Kia had paid out \$7,133,172.60 of the approved \$9,013,856.75 in claims. There remain 3,186 Kia claims that have not been

1 processed.

2 9. As of August 30, 2021, HMA had 740 denials disputed by class
3 members, 306 of which were subsequently approved, 29 of which were partially
4 approved or approved/denied in part and goodwilled in part, 14 of which were
5 approved on condition of providing additional documentation, 157 of which were
6 denied, and 57 are still in review. Standalone goodwill was offered for 167 of the
7 disputed claims. Eight claims were duplicates and 2 claims were being handled
8 separately from the settlement.

9 10. As of September 2, 2021, Kia had 36 denials disputed by claimants, of
10 which 20 were resolved with reimbursement to the Class member and 4 were
11 resolved in arbitration. Twelve of the disputed claims are still open, with 9
12 proceeding to arbitration.

13 11. Class Counsel further advised the Court on June 1, 2021 that we
14 identified 38.5% of Kia's fire claims as needing to be reviewed again. Dkt. 207 ¶ 9.
15 Class Counsel also described the problems with Kia/Epiq's review of fire claims.
16 *Id.* at ¶¶ 10-14.

17 12. Class Counsel began its investigation into Epiq fire claim denials in
18 January 2021, which grew to include a manual review of all fire claim denials.
19 Since January, 62 more Kia fire claims have been approved bringing the number of
20 approved fire claims from 21 for \$64,881.68 to 83 for \$300,060.96.

21 13. As of August 31, 2021 there remain 136 Kia fire claims still in the
22 review process by Kia.

23 14. The claims process has involved the review of a large amount of
24 information by each manufacturer. Class Counsel is now satisfied that the claims
25 process is working adequately and will continue to monitor claims and assist Class
26 Members so long as those contacts continue.

1 I declare under penalty of perjury that the foregoing is true and correct.

2 Executed on this 9th day of September 2021 in Grangeville, Idaho.

3
4 /s/ Bonner C. Walsh
5 Bonner C. Walsh
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28